NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

THIS LEASE AGREEMENT is made this

PAID UP OIL AND GAS LEASE

(No Surface Use)

whose addresss is 5921 FORST HOUSE VIVE FOREST HILL TEXCLS 16119 as Lessor, and, <u>DALE PROPERTY SERVICES</u>, <u>L.L.C.</u>, <u>2100 Ross Avenue</u>, <u>Suite 1870 Dallas Texas 75201</u>, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:

day of <u>August</u>

18th

ACRES C	F LAND, MORE OR LESS	BEING LOT(S)	10	, BLOCK	18_
OF OF THE OW	HUSULTHEAST	TARRANT COUNTY TEX	ADDITIO (AS, ACCORDING TO T PLAT RECORDS OF T	N, AN ADDITION TO T	RECORDED
substances produced in as commercial gases, as well- land now or hereafter owne Lessor agrees to execute at	therwise), for the purpose of expl sociation therewith (including ge as hydrocarbon gases. In addition d by Lessor which are configurate Lessee's request any additional of	icil	or less (including any interests and marketing oil and gas, alor term "gas" as used herein remises, this lease also covers d leased premises, and, in corore complete or accurate description	therein which Lessor may here ng with all hydrocarbon and re n Includes hefum, carbon die s accretions and any small strens ideration of the aforementlor ription of the land so covered.	eafter acquire by non hydrocarbon loxide and other rips or parcels of ned cash bonus, For the purpose
as long thereafter as oil or otherwise maintained in effection. 3. Royalties on oil, greated at Lessee's separated at Lessee's for production, production, production, production, severance, or or Lessee shall have the continuous such price then prevailing the same or nearest precedimore wells on the leased producing there from is not being sold be deemed to be producing there from is not being sold Lessor's credit in the deposition of the well or wells are sis being sold by Lessee fro following cessation of such terminate this lease. 4. All shut-in royalty to be Lessor's depository age draft and such payments on address known to Lessee's payment hereunder, Lessor 5. Except as provided pursuant to the provisions nevertheless remain in force on the leased premises or lands pooled pursuant to the primary tem operations reasonably calcunous cessation of more than there is production in payin Lessee shall drill such additional wells except as e 6. Lessee shall have deplins or zones, and as to proper to do so in order to punit formed by such pooling horizontal completion shall completion to conform to are of the foregoing, the terms prescribed, "oil well" means feet or more per barrel, be equipment; and the term "equipment; and the term becaused previous of previous of the leased previous of previo	as or other substances covered her provisions here as and other substances produced rator facilities, the royalty shall be Lessor's credit at the oil purchashen prevailing in the same field (tition of similar grade and gravitic the costs in the costs i	ereby are produced in paying quantification as well with the result of the end of the en	tities from the leased premises and by Lessee to Lessor as folked. Who of such production in the same field, the lead gas) and all other substitute of the sale thereof, less a prevailing in the same field, the lead gas) and all other substitute of the sale thereof, less a prevailing price) pursuant to cleander; and (c) if at the end of or gas or other substances con there from is not being sold by a period of 90 consecutive data acre then covered by this lead and thereafter on or before each that if this lease is otherwise by ewith, no shut-in royalty shall eyalty shall render Lessee liable. Lessor's credit in at lessor's a stamped envelope addresses be succeeded by another institutement naming another institutement naming another institutement naming another institutement of producing in paying quantitities and the such dry hole or within 90 dated in force but Lessee is the in in force so long as any one of the succeeded that Lessee is the inin force so long as any one of the subter completion of a well capable consoly prudent operator would tities on the leased premises of production of oil or gas or other subter completion of a well capable proposed therewith. There shall be premises or interest therein with the commencement of productions using standard in the sale law or the appropriate governed and "gas well" means a tag conditions using standard in the calculated of the gross completion the declaration describing the of the leased premises shall the leased premises shall the leased premises shall the sale late of production, in order to productive acreage determinant and stating the effective dain of unit and stating the effective dain of unit and stating the effective dain remainer cesses on the effective dain of unit and stating the effective dain of unit and stating the effective dain remainer cesses on the effective dain remainer cesses on the effective dain remainer cesses on the effective dain of unit and stating the effective dain remainer cesses on the effective dain remainer cesses on the effect	ows: (a) For oil and other liquiduction, to be delivered at Lecontinuing right to purchase sum in the nearest field in which stances covered hereby, the proportionate part of ad valing such gas or other substance of similar quality in the same fix comparable purchase contracts of the primary term or any time wered hereby in paying quantitive to the primary term or any time wered hereby in paying quantitive to the paying quantitive to the paying quantitive to the such anniversary of the end of saveing maintained by operations be due until the end of the 90 let for the amount due, but shad address above or its success are may be made in currency, and to the depository or to the Laution, or for any reason fall or ion as depository agent to receive the first of the cause, including a revision of the otherwise being maintained for otherwise being maintained for otherwise being maintained for otherwise being maintained for otherwise obtaining or real says after such cessation of all len engaged in drilling, rework or more of such operations are stances covered hereby, as kee of producing in paying quarted drill under the same or simility or lands pooled therewith, or in be no covenant to drill explorate thany other lands or interests the componental authority, or, if need to make the separator facilities or ever the componental authority, or, if need to interval in the reservoir exception interval in facilities or ever the componental authority, or, if need to made by such government to the well spacing of the such proportion of the total unit production made by such government to fire existing right but not the obligate conform to the well spacing of the other production made by such government to frevision. To the extent a coyalties are payable hereunde essee may terminate the unit the essee.	th or this lease is wild hydrocarbons essee's option to schepolor to schepolor at a there is such a royalty shall be torem taxes and es, provided that field (or if there is sentered into on thereafter one or ties or such wells thall nevertheless thin or production to Lessor or to aid 90-day period next all not operate to scors, which shall or by check or by Lessor at the last refuse to accept eive payments. et') on the leased of unit boundaries in force it shall toring production. If at king or any other a prosecuted with ong thereafter as nitites hereunder, ar circumstances (b) to protect the atory wells or any or or interests. The or a gas well or a well or horizontal For the purpose to definition is so of 100,000 cubic aquivalent testing equivalent testing equivalent testing seeds the vertical adde of pooling. Uction, drilling or density pattern nital authority. In any portion of the er shall thereafter

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises 8. The interest of either Le

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 80 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this tease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in the release releases all or an except interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced the recordance with the retargence interest as here the response to the interest in less than all of the area covered hereby.

in accordance with the net acreage interest retained hereunder.

If Lessee releases all or an undivided interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport producion. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary fights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor's such or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subjeated by a land the reparations a

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable

time after said judicial determination to remedy the breach or default and Lessee fails to do so.

14. For the same consideration regited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or

other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse Itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first writt cution shall be binding on the signatory and the signatory's

heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.						
LESSOR (WHETHER ONE OR MORE)						
Touanell Wilson						
By:	Ву:					
STATE OF TEXCIS	CKNOWLEDGMENT					
COUNTY OF TOIC CONT	YOF TOY CONT. sinstrument was acknowledged before me on the 18th day of OUGUST , 2008,					
KISHA G. PACKER POLK	Aushal Vac	ke tolk				
Notary Public, State of Texas My Cornmission Expires April 15, 2012	Notary Public, State of Notary's name (printed): Notary's commission expires:	15 °				
STATE OF						
This instrument was acknowledged before me on the by:	day of	., 2008,				



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

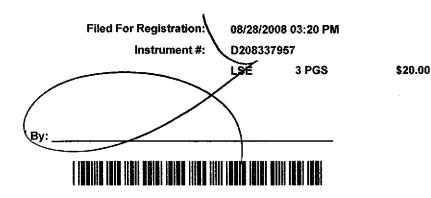
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

DO NOT DESTROY WARNING - THIS IS PART OF THE OFFICIAL RECORD.



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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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